

NEW SOUTH WALES

BUSINESS STATISTICS - 17th March, 1942.

PART I

Rural Industries, General: Seasonal conditions, War risk insurance.
Canned meat - Commonwealth price for canned mutton - bonus for
canned bacon. Apples and Pears - unit price raised to 6d.
Citrus fruits - estimated crop. Eggs - no export of surplus.

Wool: Rationing in U.S.A. Australian Graziers' Committee considers
war conditions. Investigation of inland storage facilities.
Appraisements to date.

Wheat: Wheat restriction. Prices - Canada, U.S.A., London, Australia.

Dairy Produce: No market for low grade butter. Increase in price
of butter and cheese. Pay to N. Coast cream suppliers
Feb. 1942. Quotas for butter and cheese March 1942.

Minerals: Canada to produce tin. Commonwealth Government to control
production of minerals.

PART II

Stock Exchange: Modification of Economic Organisation Regulation.
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Mortgage Rates: Three months ended February 1942.

Yield on Commonwealth Bonds: February 1942. Commonwealth
Loan oversubscribed.

Real Estate: Sales and mortgages February, 1942.
Modification of Economic Organisation Regulations.

Retail Trade: Sales, Stock, Remuneration, Employees, December 1941.

PART III

Building Permits: Private and Government; City & Suburbs;
number and value by types of building; Jan. 1942.

Buildings Commenced: January 1942.

PART I PRIMARY AND EXPORT INDUSTRIES.

RURAL CONDITIONS - GENERAL.

Seasonal Conditions. Further good falls of rain have occurred on the North Coast. In other areas the rains of early February have been followed by hot dry weather, and further falls are needed. Water supplies for stock have been assured in most parts of the State.

War risk insurance. Growing crops, livestock and farm improvements may be insured under the Commonwealth Government's plan to cover loss through war damage (including scorched earth policy and enemy occupation). Insurance of wool in store before appraisalment is compulsory (2/6 per cent.) but for wool in transit from sheep's back to store, insurance is voluntary (6d. per cent.)

Canned meat. The Minister for Commerce has announced that the Commonwealth Government will pay 11/- a dozen for 12 cans of mutton and 81/4 a doz. for 6 lb. tins. This price has been subsidised from the levy of approximately 9.3% on export lamb, and will enable operators to pay 2³/₈d. to 2¹/₂d. in the yards for second and third grade mutton.

Australian tinned bacon is popular on the English market. The Commonwealth Government has undertaken to pay producers a bonus of 1/- a dozen tins. Pig raisers are being urged to produce for bacon not pork.

Apples and Pears. The Commonwealth Government has decided to increase the unit rate to growers under the Apple and Pear Acquisition Scheme. Previously it was announced that 4d. per unit would be paid instead of 6d. per unit as in 1941. Now growers will receive an initial advance of 4d. per unit, and a second and final payment of 2d. a unit by 30th June.

Citrus Fruits. The coming N.S.W. citrus crop is estimated to amount to 2.56 m. bushels. If dry weather continues the yield will be still less. This estimate forecasts the lowest crop for many years. Production in 1940-41 was 2.71 m. bushels, in 1939-40 was 2.41 m. bushels and in 1938-39 was 3.11 m. bushels.

Eggs. After the end of March surplus eggs will not be accepted for export.

WOOL.

The U.S.A. War Production Board has ordered reduction in wool consumption for 1st quarter 1942 to 80% of that for the corresponding period of 1941. Worstest manufacturers producing non-military goods have a ration of 50% of 1941 consumption and woollen millmen of only 40%. For military work over the 80% ration will be allowed. The "victory suit" without cuffs or lapels will be the only style manufactured after 30th March. Regulation of women's clothing is being introduced in U.S.A. and Canada.

Receipts of wool at Boston from Feb. 1st to 16th were the heaviest ever recorded. 159,491 bales were received from Australia, South Africa and South America. Australian topmaker wool sold at up to 106 cents a lb. for good spinners, scoured, duty paid.

The Australian Graziers' Federal Council has appointed a committee to consider policy under war conditions. Its scope includes: consideration of shortage of manpower, possible use of woman-power; discussion of matters to be placed before the Arbitration Court; negotiations with the A.W.U.; negotiations with army authorities about making men and transport available for shearing.

The Graziers' Association is calling on wool-growers voluntarily to adjust their shearing period so as to extend the State shearing period and present an even flow of work which can be handled by the men available.

The Minister for Commerce is planning the appraisalment and storage of more wool in the country. He has appointed two members of Parliament to investigate storage facilities in all States.

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29,000 bales has still to be submitted to complete the main Sydney appraisalment season.

The following table shows the total turnover in sales and appraisements on the Sydney market up to the first week in March:

Season	Bales to date	Season's Turnover (Bales)
	'000	'000
1941-42	1,056	-
1940-41	1,116	1,265
1939-40	1,126	1,396
1938-39	902	1,136
1937-38	836	1,087

Payment of appraised prices less 5% retention money is made within a fortnight after completion of each appraisalment round. A review of appraised prices for this season suggests that the average will not be above the British contract price of 13.4375d. per lb. Therefore the 5% retention money may be expected to be returned to the growers after the end of the season at June 30th. There may also be an equalisation dividend. Last year this dividend was 11%.

WHEAT.

The Federal Government's scheme of wheat crop restriction was announced on 9th March. W. Australia is to be limited to an estimated crop of 22m. bushels, a compulsory reduction of 11 m. bushels. Compensation will be at the rate of 1/- per bushel of the compulsory reduction. There is to be no compulsory reduction of acreage in other States beyond that at present applying under the Wheat Stabilisation Scheme. The reduction in W. Australia was made because its surplus was greater than that of other States and transport from Western Australia was difficult. The Minister for Commerce appealed to all large wheat growers voluntarily to reduce their acreage.

Under the Western Australia Agricultural Bank's new plan of reconstruction, the whole of the Western Australian marginal wheat areas will be written down to a grazing basis.

Milling of a large quantity of flour in N.S.W. has now begun under the Federal plan to alleviate the shortage of bran and pollard (v.B.S. 1942/20 p.1). There is no enquiry for export flour.

Wheat prices. The Canadian Minister for Trade proposed in the House of Commons, an increase of 20 cents a bushel in the price of Western wheat for the 1942-43 season. This would give the farmers 90 cents a bushel. It is believed that the Canadian Wheat Board would accept 300 m. bushels at this price. This would reduce the margin between Canadian and U.S.A. wheat prices.

Chicago options for July delivery fell slightly from the January and February figures to 130⁷/₈ cents per bushel on March 7th. This is still substantially above the level of 1941. The highest monthly average for 1941 was that for December (126⁷/₁₆ cents). The Winnipeg price for July options also fell slightly to 80⁵/₈ cents per bushel on March 7th. This is also well above the highest monthly average for 1941 (March 1941-79⁵/₁₆ cents).

The price charged by the British Ministry of Food for Australian Wheat sold to millers is unchanged at 27/6 per quarter. The price of Canadian wheat rose slightly from 33/1¹/₂ per quarter at the end of February 1942 to 33/3 on March 9th. Argentine wheat was unchanged at 22/1¹/₂ per qr. between the end of February and March 9th.

The Australian Wheat Board price to millers for wheat for flour for home consumption is unchanged at 3/11¹/₄ per bushel.

/DAIRY.....

DAIRY PRODUCE.

Production of butter has increased substantially on the North Coast, but the position on the South Coast has not improved.

The Minister for Commerce has warned manufacturers to discontinue production of pastry grade butter as it will not be accepted by the British Ministry of Food and other markets are non-existent. Queensland is to instal a plant for producing pure butter fat from second-grade butter. A trial shipment to Fiji of Australian-made ghee, landed in good condition and an order for a further 300 cases has been received.

The Prices Commissioner has granted an increase in the retail price of butter of 1d. a lb., and of cheese (excl. proprietary lines) of 1½d. per lb. Reasons for the increase were higher costs of the dairy farmer in wages, contracted markets for low grade butter, costs of transfer to cheese production and increased costs of storage. The higher cost of living also justified higher money returns to the dairy farmer. The increased price will not cover the full effect of the war on the industry.

In January and February 1942, pay to North Coast cream suppliers was slightly below the level for previous years.

N.S.W. BUTTER - PAY TO CREAM SUPPLIERS BY CERTAINNORTH COAST FACTORIES

Pence per lb. of commercial butter made.

Year.	July	Aug.	Sept.	Oct.	Nov.	Dec.	Deferred pay July-Dec. Additional to Monthly payments.	Jan.	Feb.
1933-34 ^x	10½	10½	11	9	7½	7	5/8	6½	6¾
1938-39	14	14	12¾	12	11½	11¼	5/16	12¼	12½
1939-40	12½	12	12¼	12	11¾	12	¾	12½	12⅝
1940-41	13¼	13	13	12⅝	12¾	12¾	¾	12½	12⅝
1941-42	13¼	13	13	12⅝	12⅝	12½	½	12¼	12¼

x Includes cartage (about ⅓d. per lb.) now paid by factory.

Owing to the low production following drought conditions, the quota of butter which may be sold intrastate is high. The quota for cheese is lower for March 1942 than for the corresponding month of the two preceding years.

QUOTAS OF BUTTER AND CHEESE FOR LOCAL CONSUMPTIONN.S.W., VIC., Q'LD., TAS.

Commodity.	M A R C H						
	1936.	1937.	1938.	1939.	1940.	1941.	1942.
	%	%	%	%	%	%	%
Butter	37½	41	40	50	40	44	47
Cheese	62	53	53	36	46	50	42

MINERALS.

Canada has now begun to produce tin. It is obtained as a by-product of lead-zinc-silver operations and is expected to yield about 15% of Canada's present requirements.

Under National Security regulations issued 9th March, 1942, the Commonwealth Government has assumed complete control of the production and supply of minerals, metal ores, mineral oils, natural gas, shale oil and all like substances.

PART II - FINANCE AND TRADE.STOCK EXCHANGE.

The all-party Parliamentary committee which was appointed to report on the National Security (Economic Organisation) Regulations, has recommended substantial modifications. As a result the Australian Stock Exchanges will resume dealings in shares on March 11th. Shares must have been registered in the holder's name for five months before they can be sold without permission. The Stock Exchanges have fixed maximum and minimum share prices. These are respectively 10% above and below the market rates ruling on Feb. 19th. Periodical adjustments of the limits will be made. For semi-Government debentures the minimum return to buyers has been fixed at $3\frac{1}{2}\%$ and the maximum return at 4%.

The Government also proposes to amend the regulation limiting profits to 4%. This regulation will take effect from a date to be fixed by a resolution of both Houses of Parliament, but not earlier than 1st July, 1942. i.e. it will not apply to profits earned before 30th June 1942.

For February 1942 the Sydney share price index for 75 companies and for 34 Active shares was lower than for any month since 1934. The market was depressed even before February 10th when the Economic Organisation Regulations were issued. Trading continued till February 19th but was disorganised by uncertainty as to the application of the regulations.

STOCK EXCHANGE INDEX - SYDNEY

Prices of ordinary shares - excl. banks. Par value = 100.

Average for Month	Manufacturing & Distributing	Retail Trade	Public Utilities	Pastoral & Finance	Insurance	Total 75 Companies	34 Active Shares
1931 Sept.	72	60	88	75	121	74(a)	77
1937 March	214	204	181	169	169	190(b)	200
1940 Feb.	223	171	147	132	269	178	191
1941 Feb.	219	171	143	120	252	172	184
Oct.	221	173	142	126	251	172	186
Nov.	216	167	142	123	249	168	182
Dec.	204	160	138	118	241	161	171
1942 Jan.	199	154	136	116	236	157	166
Feb. ^x	187	148	133	115	224	150	157

(a) Lowest point
(b) Highest point

x Feb. 1st to 19th only.

MORTGAGE RATES.

The three-monthly average of rates charged on urban securities has stood at 5.5% since Aug.-Oct. 1940. The rate on rural securities fell from 5.1% for the three months ended Feb. 1941, to 4.8% for July-Sept., 1941, but then rose again to 5.0% for the three months ended February 1942.

N.S.W. FIRST MORTGAGES REGISTERED - WEIGHTED AVERAGE INTEREST RATE.

Average for	R U R A L						U R B A N					
	1937	1938	1939	1940	1941	1942	1937	1938	1939	1940	1941	1942
	%	%	%	%	%	%	%	%	%	%	%	%
Three months ended February	4.9	5.1	5.1	5.4	5.1	5.0	5.3	5.3	5.5	5.7	5.5	5.5
Calendar Year	5.0	5.0	5.2	5.1	4.9	-	5.3	5.4	5.6	5.6	5.5	-

/YIELD.....

YIELD ON COMMONWEALTH BONDS.

The yield on fully-taxed short-dated securities has been almost unchanged during February. The yield on part-taxed securities rose sharply between February 13th and 25th.

YIELD ON COMMONWEALTH GOVERNMENT SECURITIES IN AUSTRALIA.Weighted averages.

Compiled by Commonwealth Bank.

	5 years and under 10.		10 years and over.
	Taxed at full C'wealth rates	Taxed at 1930 C'wealth rates	Taxed at 1930 C'wealth rates.
	%	%	%
1941			
Jan. 29	3.21	2.88	2.99
Feb. 26	3.21	2.98	3.01
July 30	3.08	2.91	3.14
Aug. 27	3.20	2.91	3.16
Sept. 24	3.19	2.95	3.15
Oct. 29	3.19	3.06	3.19
Nov. 26	3.18	2.94	3.15
Dec. 31	3.22	2.94	3.09
1942			
Jan. 28	3.22	2.92	3.04
Feb. 13	3.22	2.92	3.08
25	3.23	3.07	3.17

The Liberty Loan of £35 m. closed on March 10th. It was oversubscribed by £11 m. and there were 200,000 contributors. The Treasurer has stated that the Government's full loan programme for 1941-42 is still not provided for and another loan will be floated in a few months.

REAL ESTATE

The value of real estate sales for February 1942 was the lowest for any month since November 1940. After February 10th little business was done. Buyers and sellers awaited clarification of the Economic Organisation Regulations.

The value of mortgages registered was slightly higher in February 1942 than in January 1942 (£916,000), but with that exception the February figure was the lowest since May 1934.

REAL ESTATE TRANSACTIONS - N.S.W.

Period.	Month of February.		Calendar Year.	
	Sales.	Mortgages (a)	Sales.	Mortgages
	£'000	£'000	£'000	£'000
1925-29	4,619(b)	4,042(b)	55,428	48,504
1938	3,284	1,868	37,419	26,967
1939	2,438	1,841	32,157	22,444
1940	2,524	1,428	31,053	16,497
1941	2,557	1,329	33,239	15,630
1942	2,472	975	-	-

(a) Includes normal renewals 1925-29. Renewals were rendered unnecessary in many cases by the Moratorium Act, 1930.

(b) Monthly average.

The Economic Organisation Regulations have now been modified to permit non-speculative sales of land: (1) in the case of land used for agricultural and

like purposes for not less than 12 months immediately before the date of sale. The purchase price must not exceed by more than 10% the reasonable price of the property as at 10th Feb. 1942. (2) Sale of other land is permitted where the vendor has been owner of the land for not less than 12 months prior to the date of sale and where the selling price does not exceed by more than 10% the reasonable price as at 10th Feb. 1942.

RETAIL TRADE.

Despite import restrictions and shipping difficulties, the value of stocks held by a group of Sydney retail stores at the end of Dec. 1941 was 21.5% higher than at the end of December 1940. The value of average end-of-month stocks in 1941 was 8.0% higher than in 1940. The value of sales also remains high. In December 1941 it was 4.8% higher than in December 1940, while December 1940 was 5.7% higher than December 1939. It must be remembered that part of the increases in value of sales and stocks is due to higher prices.

Remuneration paid rose by a much larger percentage than the number of employees.

RETAIL TRADE - SYDNEY.

Compiled from returns of a group of city stores, by the Retail Traders' Association of N.S.W. in conjunction with the Commonwealth Bank.

Item.	Increase of December 1941 from December 1940.	Increase of year 1941 from year 1940.
	%	%
Value of net sales	+ 4.8	+ 14.6
Value of Stock	+21.5	+ 8.0
Wages and salaries paid	+11.2	+ 9.0
No. of Employees	+ 3.7	+ 4.0

PART III - INDUSTRIES.BUILDING PERMITS.

The value of contracts accepted for metropolitan government buildings was slightly higher in January 1942 than in December 1941, but still well below the monthly average for 1941. The value of permits for private building in both Sydney and suburbs fell sharply from December 1941 to January 1942. Total permits for government and private building were 67.2% lower in January 1942 than in January 1941.

VALUE OF PERMITS TO ERECT NEW BUILDINGS AND ADDITIONS.Metropolis.

Period	Private & Government.			City & Suburbs (Excl. Govt. building)	
	Permits for Houses	Total Private	Government (Contracts accepted)	City of Sydney	Suburbs.
	£'000	£'000	£'000	£'000	£'000
1938	5,800	14,042	x	3,410	10,633
1939	5,395	12,219	x	1,886	10,334
1940	5,582	11,718	894	1,534	10,184
1941	6,676	10,847	1,439	552	10,295
1941 Jan.	460	696	324	24	671
July	801	1,239	153	15	1,224
Aug.	643	974	135	10	965
Sept.	603	927	151	74	853
Oct.	548	768	173	15	753
Nov.	544	809	98	16	792
Dec.	289	539	34	49	490
1942 Jan.	163	247	88	8	238

x not available.

"Wood and fibro" houses is the only division for which the value of permits shows an increase from December 1941 to January 1942. The January figure is still well below the monthly average for 1941. The value of permits for all other divisions has decreased sharply.

VALUE OF METROPOLITAN PRIVATE BUILDING PERMITSNew Buildings & Additions.

Period	Houses		Flats incl. Conversions	Hotels, Guest Houses	Shops & Shops with dwellings	Factories & Public Garages.	Other	Total
	Brick	Wood, Fibro						
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
1938	4,902	898	3,400	846	580	985	2,431	14,042
1939	4,477	918	2,782	530	516	1,330	1,666	12,219
1940	4,699	883	2,683	608	373	1,175	1,297	11,718
1941	5,719	957	2,198	44	198	1,183	548	10,847
1941 Jan.	410	49	140	5	16	41	35	696
July	685	116	184	2	10	196	46	1,239
Aug.	510	133	204	1	14	88	24	974
Sept.	518	85	139	1	7	132	45	927
Oct.	453	95	109	3	5	78	25	768
Nov.	464	80	149	2	8	83	23	809
Dec.	247	42	71	1	5	121	52	539
1942 Jan.	112	51	17	-	3	48	16	247

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The number of dwelling units included in private building permits, shows a heavy decrease in January 1942. This continues the rapid fall that occurred from November to December 1941.

NUMBER OF DWELLING UNITS INCLUDED IN PRIVATE BUILDING PERMITS.

Metropolis.

Period	Houses.		With Shops & Hotels	In New Flats	Converted to Flats	Total New Dwellings	Demolitions & Conversions	Net Additional Dwellings
	Brick, etc.	Wood Fibro						
			Number	of	Dwelling	Units.		
1938	4,652	1,685	239	5,184	419	12,179	326	11,853
1939	4,186	1,661	201	3,751	338	10,137	315	9,822
1940	4,249	1,457	114	3,802	219	9,841	283	9,558
1941	5,063	1,407	63	3,313	149	10,000	197	9,803
1941 Jan.	346	80	1	200	12	639	14	625
July	604	176	2	264	10	1,056	14	1,042
Aug.	482	197	5	297	14	995	16	979
Sept.	475	122	-	212	16	825	18	807
Oct.	393	143	-	146	12	694	17	677
Nov.	466	115	1	192	12	786	10	776
Dec.	199	60	2	87	7	355	9	346
1942 Jan.	94	75	1	20	8	198	12	186

The Metropolitan Water Board figures of buildings commenced show only a slight decrease from December 1941 to January 1942. These figures correspond to those of building permits for approximately two or three months earlier. It appears that building approved at the outbreak of war with Japan has largely been carried out, although the gravity of the Pacific situation has checked applications for new building permits.

BUILDINGS COMMENCED - METROPOLITAN WATER BOARD AREA.

Period.	Dwelling Houses (excl. Flats).	Value - £'000				Total		Grand Total.
		Dwelling Houses.	Flats	Business Premises	Misc.	City	Suburbs	
	Number.							
1938	7,457	6,001	2,481	3,496	564	2,007	10,535	12,542
1939	7,341	5,967	1,855	3,130	955	1,800	10,107	11,907
1940	7,161	6,157	2,341	2,795	1,581	1,545	11,329	12,874
1941	7,177	6,556	2,450	1,738	1,074	706	11,112	11,818
1941 Jan.	497	480	195	210	41	78	848	926
July	719	681	238	379	155	32	1,321	1,453
Aug.	784	717	232	143	46	31	1,107	1,138
Sept.	797	738	194	144	179	53	1,202	1,255
Oct.	544	481	91	75	88	23	712	735
Nov.	634	547	162	83	31	26	797	823
Dec.	361	309	45	82	92	18	510	528
1942 Jan.	334	294	57	66	99	13	503	516